

**GRANT PARISH FIRE PROTECTION  
DISTRICT NO. 5  
Pollock, Louisiana**

**FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2005

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-2-06

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**Deborah D. Dees, MBA, CPA**  
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**GRANT PARISH FIRE PROTECTION DISTRICT NO.5**  
**Pollock, Louisiana**  
**FINANCIAL REPORT**  
As of and for the Year Ended December 31, 2005

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*Deborah D. Dees, MBA, CPA*



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CERTIFIED PUBLIC ACCOUNTANT

### Independent Accountant's Report

Board of Commissioners  
Grant Parish Fire Protection District No. 5  
Pollock, Louisiana

I have reviewed the accompanying financial statements of the governmental activities of the Grant Parish Fire Protection District No. 5, a component of the Grant Parish Police Jury, as of and for the year ended December 31, 2005, which collectively comprise the Grant Parish Fire Protection District No. 5's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Grant Parish Fire Protection District No. 5's management.

My review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Based on my review, nothing came to my attention that caused me to believe that the financial statements of the Grant Parish Fire Protection District No. 5 for the year ended December 31, 2005, are not presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison information, on page 22 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and an analytical procedure applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated June 28, 2006, on the results of our agreed-upon procedures.

*Deborah D. Dees, CPA*

Mansfield, Louisiana  
June 28, 2006

## **BASIC FINANCIAL STATEMENTS**

## GOVERNMENT WIDE FINANCIAL STATEMENTS

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5****Pollock, Louisiana****STATEMENT OF NET ASSETS**

December 31, 2005

	<u>GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 9,881
Ad Valorem Taxes receivable	140,424
Capital assets, net of depreciation	<u>415,907</u>
<b>TOTAL ASSETS</b>	<b>\$ 566,212</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	\$ 1,280
Payroll taxes payable	568
Accrued interest payable	4,569
Current portion due - long-term liabilities	<u>18,410</u>
Total current liabilities	24,827
Long-term liabilities:	
Certificates of indebtedness	6,754
Note Payable	<u>72,671</u>
Total long-term liabilities	79,425
<b>TOTAL LIABILITIES</b>	<b>\$ 104,252</b>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	\$ 318,072
Unrestricted	<u>143,888</u>
<b>TOTAL NET ASSETS</b>	<b>\$ 461,960</b>

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**

## Pollock, Louisiana

## STATEMENT OF ACTIVITIES

For Year Ended December 31, 2005

Activities	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Assets
					Governmental Activities
Governmental Activities:					
Public Safety- Fire	\$ 222,911	\$ 0	\$ 15,936	\$ (206,975)	
Interest on debt	4,974	0		(4,974)	
Total Governmental Activities	\$ 227,885	\$ 0	\$ 15,936	(211,949)	

<b>General Revenues:</b>	
Ad Valorem Taxes	141,162
State Revenue Sharing	4,652
Interest Earnings	554
Fire Insurance Rebate	12,191
Other Revenue	2,867
Total General Revenues	161,426
Change in Net Assets	(50,523)
Net Assets Beginning	810,845
Prior Year Adjustment to Capital Assets	(298,362)
Net Assets Ending	\$ 461,960

## FUND FINANCIAL STATEMENTS



## GRANT PARISH FIRE PROTECTION DISTRICT NO. 5

Pollock, Louisiana

## BALANCE SHEET, GOVERNMENTAL FUNDS

December 31, 2005

	GENERAL FUND
<b>ASSETS</b>	
Cash and cash equivalents	\$ 9,881
Ad valorem taxes receivable	<u>140,424</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>150,305</u></b>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 1,280
Payroll taxes payable	588
Accrued interest payable	4,589
Deferred ad valorem revenue	<u>7,249</u>
Total Liabilities	<u>13,666</u>
<b>Fund Balances:</b>	
Unreserved	<u>136,639</u>
Total Fund Balance	<u>136,639</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ <u>150,305</u></b>

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**  
**Pollock, Louisiana**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS**  
**December 31, 2005**

Total Net Assets reported for Governmental Activities in the Statement of Net Assets are different because:

Fund Balances, Total Governmental Funds, Statement C	\$ 136,539
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the government funds	415,907
Deferred ad valorem taxes not recognized under the modified accrual basis in government funds.	7,249
Long-term liabilities are not payable in the current period and therefore not reported in the funds:	
Certificates of Indebtedness	(13,271)
Note payable	<u>(84,564)</u>
Net Assets of Governmental Activities, Statement A	<u>\$ 461,960</u>

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**  
**Pollock, Louisiana**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended December 31, 2005

	<u>GENERAL FUND</u>
<b>Revenues:</b>	
Ad valorem taxes	\$ 133,913
Intergovernmental revenue--state funds	
State revenue sharing	4,652
Fire insurance rebate	12,191
Private grant	2,500
Contributions	13,435
Other revenues	2,867
Interest income	554
<b>Total Revenues</b>	<u><b>170,112</b></u>
<b>Expenditures:</b>	
<b>Current:</b>	
Public safety-fire	148,402
Debt service:	
Principal payments	22,222
Interest expense	4,974
<b>Total Expenditures</b>	<u><b>175,598</b></u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u><b>(5,486)</b></u>
 Fund balances, beginning of year	 <u>142,125</u>
Fund balances, end of year	<u><b>\$ 136,639</b></u>

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**  
**Pollock, Louisiana**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2005**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$	(5,486)
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Capital assets used in governmental activities are not financial resources and, therefore are not reported in the governmental funds:

Capital outlays (\$-0-) exceed depreciation expense (\$74,508)		(74,508)
--	--	----------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Payments on capital leases		22,222
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Deferred ad valorem revenue not recognized in the governmental funds		7,249
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Change in Net Assets of Governmental Activities, Statement B	\$	(50,523)
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## NOTES TO THE FINANCIAL STATEMENTS

## **GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**

**Pollock, Louisiana**

### **NOTES TO THE FINANCIAL STATEMENTS**

**As of and for the Year Ended December 31, 2005**

## **INTRODUCTION**

Grant Parish Fire Protection District No. 5 was created by the Grant Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492-1501 on December 10, 1981. The Fire District is governed by a five-member board appointed in accordance to LRS 40:1496 as follows: two members by the Police Jury, two members from the Town of Pollock, and one, the chairman, by the other four members. Board members serve without compensation. The Fire District is responsible for maintaining and operating five fire stations and related equipment, and providing fire protection and rescue services to approximately 4,390 residents in southeast Grant Parish. The fire district is staffed by one full-time employee and 27 volunteers.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of the Grant Parish Fire Protection District No. 5 have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

### **A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, The Grant Parish Police Jury is the financial reporting entity for Grant Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Grant Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Police Jury to impose its will on that organization and/or;
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

## **GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**

**Pollock, Louisiana**

### **NOTES TO THE FINANCIAL STATEMENTS**

**As of and for the Year Ended December 31, 2005**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Because the Police Jury created the Fire District and has the ability to impose its will on the Fire District, the Fire District was determined to be a component unit of the Grant Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Fire District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### **B. BASIS OF PRESENTATION**

##### **Government-Wide Financial Statements (GWFS)**

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Fire District's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### **Fund Financial Statements (FFS)**

The accounts of the Fire District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The one fund of the Fire District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The Fire District has only one fund, a governmental fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

# **GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**

**Pollock, Louisiana**

## **NOTES TO THE FINANCIAL STATEMENTS**

**As of and for the Year Ended December 31, 2005**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The major fund of the Fire District is described below:

#### **Governmental Fund--**

##### **General Fund**

The General Fund is the principal fund of the Fire District and is used to account for the operations of the Fire District. General operating expenditures are paid from this fund.

### **C. MEASUREMENT FOCUS/ BASIS OF ACCOUNTING**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### **Measurement Focus**

On the government-wide Statement of Net Assets and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net assets.

In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

#### **Basis of Accounting**

In the government-wide Statement of Net Assets and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The government funds use the following practices in recording revenues and expenditures:

Revenues. Property assessments are recognized in the year in which the assessments are billed.

Expenditures. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.



**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**

**Pollock, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**As of and for the Year Ended December 31, 2005**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. ASSETS, LIABILITIES AND EQUITY**

**Cash and interest-bearing deposits**

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the District.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Fire District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Firefighting equipment	5-10 years
Fire trucks	15 years
Station equipment	5-10 years
Furniture and fixtures	5-20 years

**Equity Classifications**

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5**

**Pollock, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**As of and for the Year Ended December 31, 2005**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. BUDGETS AND BUDGETARY ACCOUNTING**

The Fire District is required by state law to adopt an annual budget. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

A proposed budget is prepared and presented to the governing board prior to the last meeting of each year made available for public inspection no later than 15 days prior to December 31, of each year for review and input. The budget is advertised in the District's journal noting that the budget is available for inspection and informing the public as to the time and date of a public hearing regarding the proposed budget. In open meeting prior to December 31, the budget is adopted and becomes part of the official minutes of the Fire District. The proposed budget for the General Fund is prepared on the modified accrual basis of accounting.

Once a budget is approved, it can be amended by approval of a majority of the Board. Amendments are presented at a regular open meeting for Board approval. The budget was not amended during the year.

**F. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**G. COMPENSATED ABSENCES**

The Fire District does not provide for the accumulation and vesting of leave.

**H. ALLOWANCE FOR DOUBTFUL ACCOUNTS**

The Fire District recognizes uncollectible ad valorem tax receivables as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the receivable. The District feels that at this time there is no need for an allowance for doubtful accounts.

**2. CASH AND INTEREST-BEARING DEPOSITS**

Under state law, the Fire District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

At December 31, 2005, the Fire District has cash and cash equivalents totaling \$9,881 (book balance). These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At December 31, 2005, these deposits are secured from risk by \$15,749. (bank balance) of federal deposit insurance.

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5****Pollock, Louisiana****NOTES TO THE FINANCIAL STATEMENTS****As of and for the Year Ended December 31, 2005****3. CAPITAL ASSETS**

Capital asset balances and activity for the year ended December 31, 2005 are as follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>12/31/04</u>	<u>Additions</u>	<u>Corrections/</u> <u>Deletions</u>	<u>Balance</u> <u>12/31/05</u>
Buildings	\$ 108,553	\$	\$ 2,153	\$ 106,401
Vehicles	587,032		(4,950)	591,982
Equipment	530,367		194,227	336,140
Total	<u>1,225,952</u>	<u>-</u>	<u>191,430</u>	<u>1,034,522</u>
Less Accumulated Depreciation				
Buildings	59,024	2,681	25,715	35,990
Vehicles	223,431	40,329	(124,278)	388,038
Equipment	154,719	31,498	-8371	194,587
Total	<u>437,175</u>	<u>74,508</u>	<u>(106,934)</u>	<u>618,616</u>
Capital Assets, Net	<u>\$ 788,777</u>	<u>\$ (74,508)</u>	<u>\$ 298,364</u>	<u>\$ 415,907</u>

Depreciation expense of \$74,508 for December 31, 2005 was charged to the public safety function.

**4. RISK MANAGEMENT**

The Fire District is exposed to various risks of loss related to limited torts, theft of or damage to and destruction of asset and errors and omissions. To handle some of the risk, the Fire District maintains surety bond coverage. No settled claims from these risks have exceeded insurance coverage in the last three years. There were no significant changes to insurance coverage during the year ended December 31, 2005.

**5. LITIGATIONS**

There is no litigation pending against the Fire District, at December 31, 2005, nor is it aware of any unasserted claims.

**6. RELATED PARTY TRANSACTIONS**

FASB 57 requires the disclosure of the description of the relationship, the transactions, the dollar amount of the transactions, and any amounts due to or from that result from related party transactions. There were no related party transactions.

## GRANT PARISH FIRE PROTECTION DISTRICT NO. 5

Pollock, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2005

#### 7. LEVIED TAXES

The Fire District levies taxes on real and business property located within the boundaries of the Fire District. Property taxes are levied by the Fire District on property values assessed by the Grant Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Grant Parish Sheriff's office bills and collects property taxes for the Fire District. Collections are remitted to the Fire District monthly. The Fire District recognizes property tax revenues when levied

The property tax calendar:

Assessment date	January 1, 2005
Levy date	June 30, 2005
Tax bills mailed	October 15, 2005
Total taxes are due	December 31, 2005
Penalties & Interest added	January 31, 2006
Tax sale	May 15, 2005

The Fire District has authorized ad valorem tax millage of 11.20 mills and levied taxes of 14.48 mills for 2005. The difference between authorized and levied millages is the result of reassessments of taxable property within the parish as required by Louisiana Constitution Article VII, Section 18(F). This revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of 2004. Total assessed value in the Fire District was \$16,162,407 in 2005. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$6,077,085 in 2005. Total of ad valorem tax revenues recognized in 2005 by the Fire District was \$133,913.

The following are the principal taxpayers for the Fire District (2005 amounts):

TAXPAYER	TYPE OF BUSINESS	ASSESSED VALUATION	% OF TOTAL ASSESSED VALUATION	AD VALOREM TAX REVENUE FOR FIRE DISTRICT
Hunt Forest Products, Inc		\$ 2,083,923	20.68%	\$ 30,175
Cleco Corporation	Utility	1,143,590	11.34%	16,559
Trunkline Gas Co. .	Oil & Gas	1,049,230	10.40%	15,193
Bell South Telecommunications	Telephone	662,600	6.57%	9,594
Total		\$ 4,939,343	42.41%	\$ 71,522

#### 8. RETIREMENT COMMITMENTS

The employee of the Grant Fire Protection District No. 5 is a member of the Firefighters Retirement Plan. Membership is mandatory as a condition of employment beginning on date employed if the employee is on permanent basis as a firefighter, not participating in another publicly funded retirement system and under age fifty (50) at date of employment. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3 1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

**GRANT PARISH FIRE PROTECTION DISTRICT NO. 5****Pollock, Louisiana****NOTES TO THE FINANCIAL STATEMENTS****As of and for the Year Ended December 31, 2005****8. RETIREMENT COMMITMENTS (continued)**

Plan members are required to contribute 8% of their annual covered salary while the District was required to contribute the 24% of the covered salary until June 30, 2005. At July 1, 2005 the employer contribution was reduced to 18% of covered salary. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The District's contribution to the system during the year ended December 31, 2005, amount to \$7,562., equal to the required contributions for the year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing the Firefighters Retirement System, P. O. Box 94095 Capitol Station, Baton Rouge, LA 70804-9095.

**9. LONG-TERM DEBT**

The following is a summary of long-term debt for the year ended December 31, 2005:

	<u>12/31/05</u>	<u>12/31/04</u>
In 2002, the District issued Certificates of indebtedness, Series 2002, in the amount of \$31,425, dated March 26, 2002, bearing 4.72% interest. The certificates were issued to finance the purchase of a fire truck. The certificates were acquired by the United States Department of Agriculture.	\$ 13,271	\$ 19,723
The Fire District entered into a 7-year installment agreement with Sabine State Bank on November 19, 2004, to refinance a 2000 Freightliner Truck. The agreement calls for annual principal payments of \$16,681 including interest paid annually at a floating interest rate of 1/2% under prime. The interest rate at December 31, 2005 and 2004 was 6.75% and 5%, respectively.	<u>84,564</u>	<u>100,334</u>
Total outstanding debt	97,835	120,057
Less current portion	<u>(18,410)</u>	<u>(22,042)</u>
Total long-term debt	\$ <u>79,425</u>	\$ <u>98,015</u>

The annual requirements to amortize the capital leases at December 31, 2005, including interest of \$18,126 are as follows:

Year	Principal	Interest
2006	\$ 18,410	\$ 5,491
2007	19,448	4,024
2008	13,392	3,299
2009	14,129	2,562
2010	14,906	1,785
2011-15	17,550	965
	<u>\$ 97,835</u>	<u>\$ 18,126</u>

**REQUIRED SUPPLEMENTAL INFORMATION (PART II)**

## GRANT PARISH FIRE PROTECTION DISTRICT NO. 5

Pollock, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL  
(MODIFIED CASH BASIS) GENERAL FUND (MAJOR GOVERNMENTAL FUNDS)

For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Budget to Actual
	Original	Final		Positive(Negative)
<b>Revenues:</b>				
<b>Taxes:</b>				
Ad valorem	\$ 130,000	\$ 130,000	\$ 133,913	\$ 3,913
State revenue sharing	12,000	1,400	4,652	3,252
Fire insurance rebate	10,000	9,700	12,191	2,491
Grants	0	0	2,500	2,500
Other Revenues	15,200	15,200	16,302	1,102
Interest Income	400	400	554	154
<b>Total Revenues</b>	<u>187,600</u>	<u>156,700</u>	<u>170,112</u>	<u>13,412</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	137,598	137,598	148,402	(10,804)
Debt Service	24,000	24,000	27,196	(3,196)
<b>Total Expenditures</b>	<u>161,598</u>	<u>161,598</u>	<u>175,598</u>	<u>(14,000)</u>
<b>Excess of Revenues over Expenditures</b>	<u>6,002</u>	<u>(4,898)</u>	<u>(5,486)</u>	<u>(588)</u>
<b>Net Change in Fund Balance</b>		<u>(4,898)</u>	<u>(5,486)</u>	
<b>Fund Balances (Deficit) at Beginning of Year</b>		<u>142,125</u>	<u>142,125</u>	
<b>Fund Balances (Deficit) at End of Year</b>		<u>\$ 137,227</u>	<u>\$ 136,639</u>	

**OTHER REPORTS REQUIRED BY LOUISIANA GOVERNMENTAL  
AUDIT GUIDE**



### **Independent Accountant's Report on Applying Agreed-Upon Procedures**

Board of Commissioners  
Grant Parish Fire Protection District No. 5  
Pollock, Louisiana 71467

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed upon by the management of the Grant Parish Fire Protection District No. 5 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Grant Parish Fire Protection District No. 5's compliance with certain laws and regulations during the year ended December 31, 2005, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

#### **Public Bid Law**

1. Select all expenditures made during the year for materials and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures in excess of the \$20,000 for materials and supplies, and there were no expenditures over \$100,000 for public works.

#### **Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedure No. 5) appeared on the list provided by management in agreed-upon procedure No. 2.

## **Budgeting**

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes of a meeting held on December 13, 2004, which indicated that the budget had been adopted by the commissioners of the Fire District by a vote of 4 in favor and 0 opposed. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more if actual expenditures exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenue and expenditures. Budgeted expenditures exceeded actual amounts by 8.7%.

Management comment: Management and the Board will be more vigilant in monitoring the budget.

## **Accounting and Reporting**

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

All checks were supported by proper documentation as to proper amount and payee

(b) determine if payments were properly coded to the correct fund and general ledger account;

The payments were found to be coded to the correct fund and general ledger accounts.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting four of the selected disbursements indicated approvals from management.

## **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by RS 42:4.1 through 42:13 (the open meeting law).

The Grant Parish Fire Protection District No. 5 is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management has asserted that such documents were properly posted, copies of agendas were in the files, but I could find no evidence supporting or denying the posting of the agendas.

## **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected all deposits for the period under examination and found no indication of new bank loans, bonds, or like indebtedness in 2005.

### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

A reading of the minutes of the district for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

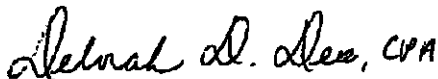
### **Prior-Year Comments and Recommendations**

12. Review any prior-year suggestions, recommendations, and or comments to determine the extent to which such matters have been resolved

Signing and dating of the agendas: It was noted that the agendas in the files had been dated and signed as recommended.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Grant Parish Fire Protection District No. 5 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Deborah D. Dees, CPA  
Mansfield, Louisiana  
June 28, 2006

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Government)**

March 1, 2005 (Date Transmitted)

Deborah D. Dees, CPA  
122 Jefferson Street  
Mansfield, LA 71052

In connection with your review of our financial statements as of December 31, 2005 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of March 31, 2005.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [ ☒ ] No [ ☐ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [ ☒ ] No [ ☐ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [ ☒ ] No [ ☐ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

A.D. Fittell Chairman 3/9/06 Date

[Signature] Fire Chief 3/9/06 Date